
OFFICE OF ECONOMIC AND EMPLOYMENT DEVELOPMENT

Mission:

To develop and administer programs that generate quality jobs for Durham residents, train and place residents in jobs leading to self-sufficiency, support commercial revitalization and contribute to the non-residential tax base with an emphasis on central Durham.

PROGRAM DESCRIPTION

Downtown Redevelopment

\$2,622,143
20 FTEs

This core service provides resources for the commercial redevelopment of downtown in conjunction with Downtown Durham Inc. (DDI). Services include technical assistance, redevelopment, project coordination, and business assistance. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high quality jobs, reducing poverty and enhancing the tax base downtown. These services are provided to businesses, property owners, developers and individuals. The economic development team, in conjunction with the services provided by DDI, will implement the responsibilities of this core service, with an emphasis on major project completion.

Business and Workforce Development Services

This core service provides resources for business development throughout the City of Durham. Working in conjunction with the Durham Chamber of Commerce, services include technical assistance, referral information, workforce development, project assistance, incentive management, regulatory information and coordination, and property assistance. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high-quality jobs, reducing poverty and enhancing the tax base of the City. Services are provided to businesses, property owners, developers and individuals. There is an emphasis placed on small businesses and SDBE development. The economic development team and the workforce development team, in coordination with the Durham Chamber of Commerce and other small business assistance organizations, implement the responsibilities of this core service.

Neighborhood Redevelopment

This core service provides resources to the commercial redevelopment of Durham's neighborhoods. Services include technical assistance, redevelopment, project coordination, small business assistance (including SDBE firms) and workforce development, planning activities, incentive management and regulatory information. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high-quality jobs, reducing poverty and enhancing the tax base of the City. Services are provided to businesses, property owners, and individuals seeking employment, community-based organizations and developers. The economic development team and the workforce development team implement the responsibilities of this core service, in cooperation with community-based and development-based organizations.

University-Led Development

This core service provides resources and works with the higher education institutions in Durham to maximize economic development opportunities for residents of Durham. This service involves interacting with the development and business assistance services available at Durham's universities. Services are provided to implement the Council goal of a prosperous economy by retaining and creating high-quality jobs, reducing poverty and enhancing the tax base. They include assisting these institutions with their master plan development, targeting business development opportunities and accessing small business assistance programs. The economic development team and the workforce development team implement the responsibilities of this core service, in conjunction with the universities.

RESOURCE ALLOCATION

	Actual FY 2003-04	Adopted FY 2004-05	Estimated FY 2004-05	Adopted FY 2005-06	Change
<i>Non-Grant</i>					
Appropriations					
Personal Services	\$ 424,875	\$ 345,899	\$ 318,145	\$ 623,700	80.3%
Operating	192,456	517,401	497,702	434,688	-16.0%
Capital	-	-	-	-	-
Transfers To Other Funds	196,045	196,045	196,045	-	-100.0%
Other		5,000	5,000	12,000	140.0%
Total Appropriations	\$ 813,376	\$ 1,064,345	\$ 1,016,892	\$ 1,070,388	0.6%
Full Time Equivalents	8	7	7	9	2
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 790,936	\$ 1,046,943	\$ 997,587	\$ 1,040,986	-0.6%
Program	22,440	17,402	19,305	29,402	69.0%
Total Revenues	\$ 813,376	\$ 1,064,345	\$ 1,016,892	\$ 1,070,388	0.6%
<i>Grants</i>					
Appropriations					
Personal Services	\$ 498,556	\$ 404,191	\$ 463,751	\$ 618,954	53.1%
Operating	1,469,693	1,334,362	1,683,193	932,801	-30.1%
Total Appropriations	\$ 1,968,249	\$ 1,738,553	\$ 2,146,944	\$ 1,551,755	-10.7%
Full Time Equivalents	4	8	12	11	3
Part Time	-	-	-	-	-
Revenues					
CDBG	\$ 245,000	\$ 85,000	\$ 46,528	\$ -	-100.0%
Employment Training Gr	1,723,249	1,653,553	2,081,916	1,419,609	-14.1%
Parrish Street Project	-	-	18,500	60,690	100.0%
Cultural Master Plan	-	-	-	71,456	100.0%
Total Revenues	\$ 1,968,249	\$ 1,738,553	\$ 2,146,944	\$ 1,551,755	-10.7%
Total Budget	\$ 2,781,625	\$ 2,802,898	\$ 3,163,836	\$ 2,622,143	-6.4%

BUDGET ISSUES FOR FY 2005-06

- Includes a federal grant-funded Parrish Street initiative.
- Includes a county grant-funded Cultural Master Plan initiative.
- Increases funding for neighborhood-based commercial initiatives.
- Provides Workforce Investment Act (WIA) grant funding for WIA support personnel.
- Reflects funding for small business initiatives in targeted areas.

UNFUNDED OR UNDERFUNDED ITEMS

- Economic Incentives \$350,000

COMPLETED INITIATIVES FOR FY 2004-05

- Received approval for Parrish Street Heritage Development Plan.
- Completed American Tobacco Phase I.

- Co-managed Durham Station project, including the demolition of the Heart of Durham hotel.
- Assisted business development projects including Merck, Cree, Credit Suisse/First Boston, Silver Line, Catalyst IT Services, CAARE, Inc. and Measurement, Inc.
- Received approval of the Cultural Master Plan Interlocal Agreement between the County and the City.
- Partnered in the creation and funding of the Sales and Service Training Center at Northgate Mall.
- Worked toward agreements on major downtown projects including American Theater for the Performing Arts, West Village II, Woolworth's redevelopment and Renaissance Center.
- Initiated new Faith-Based and Community-Based workforce development projects.
- Implemented the Neighborhood Façade Grant program and 5 grants were awarded to local businesses in the State Development Zone area.
- Implemented the Merchandise-Based Retail Incentive Program.
- Served 1,176, trained 667 and employed 214 WIA clients.
- Placed 2,630 job orders through JobLink Center and placed 1,017 people into employment in partnership with the Employment Security Commission.
- Implemented the Ex-Offender (Going Home) Program, employing 71 people.
- Received state approval for two incumbent worker training grants for North Carolina Mutual Insurance Corporation and Northgate Associates.
- Received state approval for re-designation of the State Development Zone.
- Helped coordinate the Mayor's Summer Youth Program, including a special initiative with Lakeview Alternative School.
- Assisted 12 small businesses to create or expand jobs in Durham.
- Created 12 small business jobs in downtown Durham.
- Implemented the downtown special events strategic plan.
- Presented the State of the Economy Breakfast for an audience of 545.
- Initiated an economic development assessment and plan for Northeast Central Durham and other core neighborhoods.

DEPARTMENT INITIATIVES FOR FY 2005-06

- Implement major downtown projects.
- Implement a strengthened small business agenda.
- Focus on Northeast Central Durham and other targeted commercial areas.
- Continue to build relationships with area colleges and universities.
- Continue to improve the workforce development system and integrate it further into the job creation processes.
- Serve the needs of the business community.

GOALS, OBJECTIVES & STRATEGIES FOR FY 2005-06

GOAL: *Durham enjoys a prosperous economy.*

OBJECTIVE: **Redevelopment**

To promote long-term economic growth through ongoing downtown and neighborhood redevelopment efforts.

STRATEGIES: DOWNTOWN

- Implement five major projects: American Theater for the Performing Arts, West Village II, Parrish Street, Durham Station, & Renaissance Center.
- Continue to expand Special Events.
- Enhance the Downtown Loan Program to attract more eligible clients.
- Implement small and creative business strategy in targeted areas.

STRATEGIES: NEIGHBORHOOD REVITALIZATION

- Continue and energize the façade program.
- Implement small and creative business strategy in targeted areas.
- Enhance the loan program to attract more eligible clients.
- Expand Joblink Center/connecting communities.
- Assist in developing major neighborhood retail project areas:
 - Angier & Driver
 - Main & Alston
 - TTA Transit Station
 - Old Five Points
 - East Durham Retail
 - Fayetteville Street
 - Ninth Street
 - West Chapel Hill Street

	Actual FY 2004	Adopted FY 2005	Estimated FY 2005	Adopted FY 2006
MEASURE: (Per capita growth)				
Assist in increasing per capita income of Durham residents above current levels*	\$30,494	\$30,494	\$30,631	\$30,813

	Actual FY 2004	Adopted FY 2005	Estimated FY 2005	Adopted FY 2006
MEASURE: (Tax Base growth)**				
Assist in increasing the tax base above current levels in the following geographic categories:				
Northeast Central Durham	\$188 M	\$188 M	\$ 188 M	\$188.6 M
Downtown	\$421 M	\$421 M	\$ 455 M	\$455 M
State Economic Dev. Zone (excluding downtown)	\$3.1 B	\$3.1 B	\$ 3.6 B	\$3.6 B
Citywide (commercial/industrial only)	\$4.6 B	\$4.6 B	\$ 4.8 B	\$4.8 B

* Per capita income is only available on a county basis. 2003 information is expected to be released in late May 2005.

** Tax Base growth figures do not include residential citywide.

OBJECTIVE: Business Growth

To increase employment opportunities and maximize immediate economic growth by supporting the formation, retention, expansion, and relocation of businesses, and by partnering with the three local universities, Duke, North Carolina Central University and Durham Technical Community College.

STRATEGIES: BUSINESS AND WORKFORCE

- Assist new companies in the start-up stage.
- Assist small and medium to large businesses to retain, expand or relocate jobs to Durham.
- Continue to implement a minority outreach strategy with EOE.
- Continue the Back Streets Company program.
- Market the small and creative business incentive program.
- Expand the workforce development initiative, putting Durham residents to work.
 - Strategic Plan
 - Joblink
 - Connecting to emerging jobs
 - Youth

STRATEGIES: UNIVERSITY-LED DEVELOPMENT

- Continue to capture spin-off opportunities from Duke and NCCU research, especially in biotechnology.
- Continue to collaborate on workforce development issues.
- Continue to collaborate on small business assistance.
- Continue to collaborate on redevelopment priorities.

	Actual FY 2004	Adopted FY 2005	Estimated FY 2005	Adopted FY 2006
MEASURE: (New Job Growth)				
# of new jobs for Durham residents	N/A	700	980	700

MEASURE: (Joblink Visibility)	Actual FY 2004	Adopted FY 2005	Estimated FY 2005	Adopted FY 2006
Job orders received through Joblink	N/A	3,285	3,285	3,613
Job orders filled through Joblink	N/A	1,314	1,314	1,445
Percent of jobs filled by Durham residents	N/A	40%	40%	40%